

EXHIBIT 14

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In accordance with a protective order, the enclosure(s) shall be treated as confidential and shall not be shown to any person other than those persons designated in paragraph 8.2 of the paragraph order.

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Page 1

1 UNITED STATES DISTRICT COURT
2 FOR THE DISTRICT OF WYOMING
3
4

5 CUSTODIA BANK INC.,) Civil Number
6) 22-cv-00125-SWS
7 Plaintiff,)
8)
9 v.)
10)
11 FEDERAL RESERVE BOARD)
12 OF GOVERNORS and FEDERAL)
13 RESERVE BANK OF)
14 KANSAS CITY,)
15)
16 Defendants.)
17

18 - C O N F I D E N T I A L -
19
20
21
22

23 Deposition of

24 TARA HUMSTON

25 November 3, 2023

26 8:04 a.m.

27 Reported by: Bonnie L. Russo

28 Job No. 6153223

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1 P R O C E E D I N G S

2 (8:04 a.m.)

3

4 TARA HUMSTON,

5 being first duly sworn, to tell the truth, the
6 whole truth and nothing but the truth,
7 testified as follows:

8 EXAMINATION BY COUNSEL FOR PLAINTIFF

9 BY MR. SCARBOROUGH:

10 Q. Ms. Humston, good morning. My name
11 is Ryan Scarborough. I represent Custodia
12 Bank.

13 How long have you worked at the
14 Kansas City Fed?

15 A. 25 years.

16 Q. And have you ever worked at the
17 board of governors?

18 A. No.

19 Q. If I refer to the board, do you
20 understand that to refer to the board of
21 governors?

22 A. Yes.

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1 Q. What position do you hold today?

2 A. Senior vice president.

3 Q. And how long have you held that
4 position?

5 A. Since May of -- I think May of 2019.

6 Q. Okay. In that position are you
7 essentially the right-hand person to the Kansas
8 City Fed president?

9 A. I wouldn't characterize it as
10 right-hand person, just a division head of
11 supervision and risk management.

12 Q. And did you work closely with Esther
13 George when she was president of the Kansas
14 City Fed?

15 A. She was my direct boss, so yes, I
16 worked directly with her.

17 Q. Have you ever been deposed before?

18 A. No.

19 Q. Ma'am, national banks are permitted
20 to engage in the business of banking; isn't
21 that right?

22 MR. MICHAELSON: Objection. Form.

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1 THE WITNESS: As far as I know, yes,
2 they are permitted.

3 BY MR. SCARBOROUGH:

4 Q. And that includes providing services
5 that are incidental to the business of banking?

6 MR. MICHAELSON: Objection. Form.

7 THE WITNESS: In -- are you speaking
8 generally or by a rule or regulation?

9 BY MR. SCARBOROUGH:

10 Q. I am speaking generally.

11 A. Could you repeat that.

12 Q. Sure. That includes the business of
13 banking includes providing services that are
14 incidental to the business of banking, correct?

15 A. I --

16 MR. MICHAELSON: Objection. Form.

17 THE WITNESS: I believe that's
18 what -- how it is settled out.

19 BY MR. SCARBOROUGH:

20 Q. Okay. And activities incidental to
21 banking include things like providing custodial
22 services, right?

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1 I can't speak to how many. I know she had some
2 contact at some point.

3 Q. And did her contacts include
4 speaking with the commissioner of the Wyoming
5 Division of Banking, Albert Forkner?

6 A. I do recall her saying she had
7 talked with Albert Forkner.

8 Q. And did you have any conversations
9 with Wyoming representatives?

10 A. At the time Albert would have been
11 the commissioner of Wyoming, and so in
12 supervising institutions in Wyoming, I would
13 have had periodic contact with Albert. I don't
14 recall a specific meeting just to discuss the
15 SPDI charter.

16 Q. You mentioned that you had regular
17 conversations with Wyoming more generally in
18 connection with their supervision -- was that
19 in connection with their supervision of
20 entities in Wyoming?

21 A. Yes. We work with the state
22 commissioners on the institutions that we

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1 jointly supervised through the dual banking
2 system.

3 Q. Okay. Do you have any criticism of
4 the Wyoming Division of Banking?

5 A. No specific -- it's not a criticism,
6 but we often help some of our state
7 counterparts because they lack the resources to
8 be able to supervise some of the entities in
9 their state.

10 Q. Did Wyoming have experience
11 personnel performing supervisory roles?

12 A. For traditional banking charters,
13 they had staff that were -- had the skill set
14 needed to supervise traditional bank charters.

15 Q. They were qualified?

16 MR. MICHAELSON: Objection. Form.

17 THE WITNESS: Qualified for what?

18 BY MR. SCARBOROUGH:

19 Q. For supervising traditional bank
20 charters, as you said?

21 A. They had individuals I think our
22 team would say were qualified.

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1 Q. And they had individuals who were
2 also competent, correct?

3 A. Competent in...?

4 Q. Supervising traditional bank
5 charters.

6 A. I think if we say they were skilled,
7 they would be competent in supervising a
8 traditional bank charter.

9 Q. And they had individuals who were
10 well trained in supervising traditional bank
11 charters, right?

12 A. Wyoming Department of Banking had
13 training available to their examiners. Some of
14 the states rely on the Federal Reserve's
15 training, so I don't know to what extent their
16 state relied on ours, but many of our states
17 are not able to fully utilize their own
18 training programs.

19 Q. But your experience with Wyoming was
20 that they -- the individuals you dealt with
21 were well trained, correct?

22 A. I don't deal with many of their

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1 Kansas City Fed, not just from Wyoming but in
2 other reserve banks as well?

3 A. Yes. I think she was referring to
4 this as a broader issue than just firms in
5 Wyoming.

6 Q. And at the -- at the beginning of
7 your e-mail on the second line, you note that
8 she said there is broad recognition of the
9 policy issues that need to be addressed.

10 Do you see that?

11 A. Yes.

12 Q. And was that your view as well, that
13 there -- that there was broad recognition
14 within the Federal Reserve system that there
15 were policy issues related to nontraditional
16 master accounts?

17 MR. MICHAELSON: Objection. Form.

18 THE WITNESS: I don't know that I
19 can speak to -- I think I was regurgitating
20 what she said to me in the call. I don't know
21 that I -- I have the same sense if there was
22 broad recognition or not, so I can't speak to

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1 that.

2 BY MR. SCARBOROUGH:

3 Q. Okay. But Esther George, the
4 president of the Kansas City Fed, indicated to
5 you that there was broad recognition of the
6 policy issues that needed to be addressed in
7 connection with nontraditional master accounts,
8 right?

9 A. It appears that's what she told me.

10 Q. Okay. She also told you that she
11 does not expect we alone will answer this
12 policy issue.

13 Do you see that?

14 A. Correct.

15 Q. And was that also your understanding
16 that the Kansas City Fed alone would not answer
17 the policy issue about nontraditional master
18 account access?

19 MR. MICHAELSON: Objection. Form.

20 THE WITNESS: I -- I knew that there
21 was issues that needed to be addressed broader,
22 and reserve banks don't set policies. So

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1 those -- if it was associated to a direct
2 Federal Reserve policy issue, monetary policy,
3 those would need to be handled with the board
4 of governors. And the extent that reserve
5 banks provide input might vary depending on the
6 policy issue.

7 BY MR. SCARBOROUGH:

8 Q. And nontraditional master account
9 requests raised those broader policy issues,
10 didn't they?

11 A. A component of it does. The master
12 account -- just the broader idea of what those
13 entities can and can't do, that was what was
14 rising to the broader policy issues, but it
15 still came down to the master account request
16 itself remains -- there was no changing that
17 that was a reserve bank decision.

18 Q. Do you see in the next sentence here
19 that there is a reference to governor -- well,
20 let me just read it: "Apparently the PSPAC,"
21 P-S-P-A-C, "met to talk about" --

22 A. Where are you? In the second

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1 paragraph?

2 Q. No. The first paragraph --

3 A. First.

4 Q. -- middle of it.

5 A. Okay.

6 Q. The very next sentence, do you see
7 it starts out: "Apparently the PSPAC met to
8 talk about finality, and Governor Brainard
9 tasked them with solving for these questions
10 separately from the SCRM community"?

11 What's the SCRM community?

12 A. It is the subcommittee on credit and
13 risk management.

14 Q. And is that a subcommittee -- is
15 that a board subcommittee?

16 A. No. It's reserve banks.

17 Q. Okay. And Governor Brainard, is
18 that a reference to Lael Brainard?

19 A. Yes.

20 Q. And Lael Brainard at that time was a
21 member of the board of governors at the Federal
22 Reserve board?

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1 in the Federal Register was to request comment
2 from the public about the proposed account
3 access guidelines, right?

4 A. Yes, this is a notice of request for
5 comment.

6 Q. And if people needed further
7 information, there at the bottom right there
8 was contact information provided for a Jason
9 Hinkle, correct?

10 A. Yes.

11 Q. Now, he is listed there as the
12 assistant director in the division of reserve
13 bank operations and payment systems. Is the
14 acronym for that RBOPS?

15 A. Yes, it is.

16 Q. Okay. And is Mr. Hinkle a board
17 employee?

18 A. Yes, he is.

19 Q. Okay. And looking at this if you
20 flip over to the second page in the middle --
21 middle of the first column, do you see it says:
22 "Relatedly, there has been a recent uptick in

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novel charter types being authorized or
considered across the country"?

A. You're in the first column?

4 Q. First column, middle, on the left
5 side there.

9 A. Okay. I now see it.

10 Q. Okay. Do you agree that there had
11 been a recent uptick in novel charter types
12 being authorized or considered across the
13 country at the time -- at this time in 2021?

14 A. Yes.

15 Q. Okay. And were you receiving --
16 were you, the Kansas City Fed, receiving an
17 increasing number of inquiries and requests for
18 access to accounts and services from novel
19 institutions?

20 MR. MICHAELSON: Objection. Form.

21 THE WITNESS: Yes, we were getting
22 an increase in inquiries.

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1 BY MR. SCARBOROUGH:

2 Q. Okay. And that would have included
3 requests from like SPDI-chartered institutions,
4 correct?

5 A. That would be one example that we
6 were getting inquiries from.

7 Q. And the board of governors proposed
8 six principles to guide the process of
9 determining who gets access to the payment
10 system for a master account, right?

11 A. Well, it was the guidelines for
12 reserve banks to do their risk analysis.

13 Q. And that risk analysis was in
14 connection with determining who would get
15 access to master accounts and, therefore, the
16 payment system, right?

17 A. Well, it wasn't driving who got
18 access. It was driving the factors that a
19 reserve bank and the expectation of what a
20 reserve bank is considering in their analysis
21 to make their decision.

22 Q. Okay. And the first principle that

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1 a bank before and their ability to run an
2 institution. And so this is a new type of
3 institution, and I think we were all trying to
4 gather, you know, who has the expertise,
5 because their -- their leadership team did
6 change.

7 But I -- I don't know that I could
8 say there was a direct view.

9 Q. Okay. You write here that the time
10 line is probably, technically accurate.

11 First of all, in terms of timing at
12 this point, the application had been -- strike
13 that.

14 Custodia's request for a master
15 account had been pending for approximately one
16 year, correct?

17 A. That is correct.

18 Q. And the account access guidelines's
19 first draft was published in May of 2021, so
20 that would have been more than -- about half a
21 year or so after the first -- after Custodia
22 made its request for a master account?

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1 A. True.

2 Q. Okay. How long does it typically
3 take for a master account to be --

4 A. For a traditional --

5 Q. -- decided?

6 A. -- commercial bank, it can be done
7 in a week's time or less.

8 Q. Okay. In terms of the time line
9 that you referenced here about the time line is
10 probably, technically accurate about -- is that
11 referencing the fact that the request just sat
12 at the Fed before Custodia was hit out of left
13 field with the proposed account access
14 guidelines?

15 MR. MICHAELSON: Objection. Form.

16 THE WITNESS: No. I mean, in the
17 e-mail, we are not seeing an attached picture.
18 I may have been referring to that. I don't --
19 I don't recall what that looked like.

20 But, I mean, I would be speculating
21 to say if I am referring to what was in the
22 picture attached --

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1 BY MR. SCARBOROUGH:

2 Q. Okay.

3 A. -- which we don't -- unless you have
4 that.

5 Q. It wasn't produced by the Kansas
6 City Fed.

7 Let me ask you this: In the terms
8 of the account access guidelines that were
9 published in May of 2021, they listed out the
10 six principles that we've discussed, right?

11 A. The account access guidelines, yes.

12 Q. Okay. But nothing in that proposal
13 contemplated a tiered structure or dividing
14 banks into tiers, correct?

15 A. I believe the tiering came later
16 after the comment period.

17 Q. Okay. All right. So I want to
18 switch gears for just a moment.

19 Would you agree with me,
20 Ms. Humston, that only an eligible depository
21 institution is permitted to obtain a master
22 account?

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1 The board had the opportunity to put
2 Custodia into a Tier II category if it had
3 granted membership, correct?

4 A. After we had already sent our
5 recommendation memo, you're saying if they had
6 made their decision that was not consistent
7 with ours? It would have ultimately -- they
8 would have -- then their facts and
9 circumstances would have changed to a Tier II.

10 Q. Ms. Humston, do you understand that
11 the Kansas City Fed made significant efforts to
12 make sure that the master account decision did
13 not get out ahead of the membership question?

14 A. Oh, we considered the -- I mean, the
15 timing of the decisions, but there were drivers
16 because if that tiering did change, we would
17 need to go back and do different analysis.

18 But we knew factually we had made
19 the decision that the master account should be
20 denied. We recommended to the board the
21 membership should be denied. And so we had our
22 decisions prepared.

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1 The board of governors we hoped were
2 following our recommendation, and so if for
3 some reason they didn't and we -- I didn't know
4 the outcome of it, then we would need to take a
5 pause and reconsider is there more -- what more
6 work did we need to do in our consideration.

7 Q. So the master account decision
8 ultimately hinged on what status or tier level
9 Custodia would wind up in, correct?

10 A. No, it didn't ultimately. I mean,
11 we were already giving it heightened scrutiny,
12 and so --

13 Q. Right. But if -- I'm sorry. I
14 didn't mean to interrupt you.

15 A. We were already giving it heightened
16 scrutiny in Tier III. So we had done a great
17 deal of work and found that the answer should
18 be no.

19 If the board had somehow found a
20 different fact pattern that they should
21 appropriately fit into being a member bank --
22 we do not have instances that I'm aware of a

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1 member bank not having a master account. And,
2 therefore, I would need to go back and see is
3 that really something that I would reconsider
4 my decision of a master account being no.

5 Q. And, in fact, if somebody was in a
6 Tier II, you wouldn't look at that from a risk
7 perspective as a nonstarter, would you?

8 A. I'm sorry --

9 MR. MICHAELSON: Object to form.

10 BY MR. SCARBOROUGH:

11 Q. If an entity was in a Tier II
12 classification, you wouldn't look at that from
13 a risk perspective as a nonstarter for getting
14 a master account?

15 MR. MICHAELSON: Object to form.

16 THE WITNESS: I -- I'm not
17 following. Like, what -- I mean, from a risk
18 perspective, I'm not sure where you're going
19 with that. Like --

20 BY MR. SCARBOROUGH:

21 Q. Well --

22 A. -- I mean, all of these have a risk

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1 to them.

2 Q. Correct. But if you have a federal
3 regulator, if you're a member of the Federal
4 Reserve system and, therefore, you qualify as
5 Tier II, from that perspective it would not be
6 a nonstarter to getting a master account,
7 right?

8 MR. MICHAELSON: Object to form.

9 THE WITNESS: Well, none of these I
10 would say are indicating that it's a nonstarter
11 if that's what you're asking. I am not
12 following what you're getting at here.

13 BY MR. SCARBOROUGH:

14 Q. Has there ever been a Tier III
15 entity that has been given master account
16 access since the guidelines were published?

17 A. I'm not aware of any but --

18 Q. Okay. Has there been a Tier II
19 entity, to your knowledge, since the guidelines
20 were published that has been given master
21 account access?

22 A. I'm not aware one way or the other.

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1 MR. MICHAELSON: All right. Thank
2 you. I have a few -- a few questions for
3 Ms. Humston.

4 I would first like to designate the
5 entire transcript confidential now.

6 EXAMINATION BY COUNSEL FOR DEFENDANT

7 By MR. MICHAELSON:

8 Q. Ms. Humston, you just sat through
9 seven hours of testimony. Did --

10 MR. SCARBOROUGH: Technically it
11 wasn't seven hours.

12 MR. MICHAELSON: A minute shy --

13 MR. SCARBOROUGH: It was like three
14 minutes shy.

15 MR. MICHAELSON: -- a minute or
16 two -- minute or two shy of seven hours.

17 BY MR. MICHAELSON:

18 Q. Did --

19 A. It has felt like 20 so...

20 Q. Did counsel for Custodia ask you who
21 made the decision to deny Custodia's master
22 account request?

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1 A. No, I was not asked.

2 Q. Did he ask you whether the board
3 controlled the outcome of that decision?

4 A. In evasive ways but not directly.

5 MR. SCARBOROUGH: Objection to form.

6 BY MR. MICHAELSON:

7 Q. So let me ask you: Who made the
8 decision to deny Custodia's master account
9 request?

10 A. The Kansas City Reserve Bank.

11 Q. And who specifically?

12 A. I would say it would be between
13 Christi May-Oder, Judith Hazen, myself, and
14 Esther in consultation with our legal team.

15 Q. And approximately -- and how was the
16 decision made? Was it a vote? Like, how was
17 the decision arrived at?

18 A. It was extremely iterative over a
19 number of years, in fact. And so from when we
20 took in the initial request, as you can see
21 from the many pages of documents that we
22 submitted, there were meetings over many years

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1 in trying to determine if we had risk factors
2 assessed right.

3 And so ultimately I think as we
4 entered the end of 2022, there continued to be
5 meetings among those stakeholders, briefings
6 with Esther. I would have status meetings with
7 her, as we determined that we felt we had fully
8 performed our analysis and all the facts that
9 we could gather, and we just felt the risks
10 were too great that our team had identified and
11 that the gaps were -- at the time we were
12 concluding particularly what was coming out of
13 our membership review, that the risk was too
14 significant for us to allow them to have an
15 account in the payment system.

16 And so Esther agreed with that final
17 recommendation and then asked us to ultimately
18 put that on paper so we could ensure ourselves
19 that we had full support.

20 Q. Okay. I'll unpack that a little
21 bit.

22 You mention she asked you to put it

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1 A. You mean to Custodia or --

2 Q. No. Just in general if one were to
3 look to -- if there is a place that lays out
4 kind of the reasoning behind the denial of the
5 master account, is there such a thing?

6 A. I mean, we created it and sent that
7 to the firm. I wouldn't -- publicly, no, there
8 would not be that information where somebody in
9 the public could go out. That's considered
10 confidential supervisory and confidential
11 business plans. We don't give that out so that
12 the public knows business plans of entities.

13 Q. Would you say that the letter that
14 went out to the firm fairly reflects the
15 reasoning behind the denial?

16 A. I think so. We put a lot of thought
17 into making sure we outlined what we felt were
18 the biggest risks.

19 Q. Okay. And at the time that this --
20 so you placed the decision to deny it before
21 that memo to Ms. George was drafting, right?

22 A. Yes.

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1 Q. Okay. At the time that decision was
2 reached, had the board of governors instructed
3 Federal Reserve Bank of Kansas City to deny the
4 master account request?

5 A. No.

6 Q. Had the board of governors compelled
7 in some way, directly or indirectly, the
8 Reserve Bank of Kansas City to deny Custodia's
9 master account request?

10 A. No. In fact I didn't even know the
11 governors' view on -- whether they even had a
12 view.

13 Q. Okay. Did any individual governor
14 ever instruct the Reserve Bank of Kansas City
15 to deny the request?

16 A. No.

17 Q. Okay. Did any individual governor
18 compel the Reserve Bank of Kansas City to deny
19 the request?

20 A. No.

21 Q. At the time the decision to deny was
22 reached, did you have any understanding as to

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1 where any governor stood on the question of the
2 master account?

3 A. No. There was one time Esther had
4 alluded to me in a conversation that she said
5 views were mixed, and she couldn't allude to
6 any particular view, just views were mixed
7 so...

8 Q. Did you ever hear directly or
9 indirectly whether Vice Chair Barr had an
10 opinion on whether to grant or deny Custodia's
11 master account request?

12 A. No. I had never heard an opinion.
13 I never heard even a shared one.

14 Q. Okay. Did you -- when the decision
15 was reached, did you feel that the Federal
16 Reserve Bank of Kansas City had the freedom to
17 go either way on it?

18 A. Absolutely.

19 Q. Did you feel that you could have
20 granted the master account request even if the
21 board decided to deny membership?

22 A. Yes.

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1 Q. Okay. Now, I want to go back in
2 time to -- actually, a couple quick questions
3 about Vice Chair Barr.

4 What was his role at the board?

5 A. He is a vice chair of supervision.

6 Q. What does that mean?

7 A. So that means everything in
8 supervision, everything reports up through Vice
9 Chair Barr, but these decisions that are under
10 RBOPS and master accounts do not fall under
11 Vice Chair Barr.

12 So my -- my department that I've
13 talked about that we call credit risk and
14 reserves management, all of their body of work
15 does not -- is not considered supervision.
16 Almost everything else my division does goes up
17 to Vice Chair Barr in supervision.

18 Q. Okay. Does his role relate to
19 Federal Reserve membership?

20 A. Yes, it reports up through him.

21 Q. So membership reports up to him?

22 A. Yes.

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1 Q. So would it be your expectation that
2 Vice Chair Barr would have been involved in
3 Custodia's membership application?

4 A. Yes.

5 Q. I just want to go back to when
6 Custodia's master account request first came
7 in.

8 When it first came in, what was your
9 understanding as to who would be responsible
10 for deciding it?

11 A. Well, we always knew it would be our
12 decision. We would be responsible for making
13 the decision on the master account.

14 But as I talked about early on,
15 there were questions of are these firms even
16 legally eligible to hold a master account. So
17 there were some very early questions that we
18 were having to navigate before even getting to
19 the master account analysis.

20 Q. When it first came in -- so on Day
21 1 -- did you have a view as to whether it
22 should be granted or denied?

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1 A. I think early on we were fairly
2 skeptical because it was such a novel entity
3 and the first time a state had just created a
4 new charter, so I think there was quite a bit
5 of skepticism from Day 1.

6 Q. But were you able to make the
7 decision on Day 1?

8 A. We could have, but that wouldn't
9 have been a fair process to not study and
10 understand not only the legislation but the
11 business model of the firm itself.

12 So just early on, it seemed that it
13 was very unlike a traditional community bank or
14 commercial bank, and it doesn't -- not having
15 insurance, not having a federal regulator, not
16 lending -- I mean, it's very different business
17 model, so it called into question of how is
18 that going to fit into the banking system and
19 particularly the eligibility for a master
20 account.

21 Q. So when it came in, was it your
22 understanding that work needed to be done to

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1 arrive at a decision?

2 A. Yes.

3 MR. SCARBOROUGH: Objection.

4 THE WITNESS: A lot of work needed
5 to be done, and so that's I think where we were
6 really trying to bring in a lot of views
7 because some of these activities, even over the
8 last few years, you've seen, you know, a lot of
9 movement in not only knowledge but firms using
10 DLT, blockchain, you know, different types of
11 new and innovative technology.

12 So, you know, it's not unlike any
13 other master account request that's
14 unusual or -- you know, because it's not just
15 these that require extra analysis. We've had
16 other cases in the past where like a fintech
17 firm tries to come in and buy a bank or start,
18 and it's a very unusual model. And so those
19 are taking quite a bit of time to navigate
20 through, and so it doesn't just have to be in
21 the crypto sector.

22 BY MR. MICHAELSON:

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1 Q. Is it -- in handling a master
2 account request that presents novel issues, is
3 it necessary for the Federal Reserve Bank of
4 Kansas City to do its work in a silo without
5 communicating with any other reserve bank
6 before?

7 A. Did you say was that necessary or --

8 Q. Is it necessary?

9 A. Is it necessary to do it in a silo?
10 No. I mean, we would find it imprudent not to
11 take in views from others and ensure that there
12 is not similar cases happening.

13 So if we very narrowly focused it,
14 you would start having, you know, a great deal
15 of regulatory arbitrage in just trying to find
16 where you'll get -- an entity could go try to
17 find where they'll get that -- the answer they
18 we want. We want consistency across the
19 country so that if you go to one reserve bank
20 with a particular fact set, it would be handled
21 similarly with the same fact set at another
22 reserve bank.

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1 Q. Okay. And earlier today you
2 testified about a number of subjects in which
3 there was discussion between the reserve bank
4 and the board concerning Custodia's request.
5 And I just want to quickly touch on a few of
6 them, and then we'll be done.

7 One was the subject of legal
8 eligibility. Did the decision as to legal
9 eligibility control the outcome of denial of
10 the master account request?

11 A. No. In fact the board said yes on
12 legal eligibility.

13 Q. Okay. Another subject that was
14 discussed was legal permissibility. Did legal
15 permissibility issues control the outcome of
16 the denial of Custodia's master account
17 request?

18 A. Legal permissibility of what?

19 Q. Well, what -- whose -- what do you
20 understand the discussion earlier today about
21 permissibility to relate to?

22 MR. SCARBOROUGH: Objection to form.